IMF ADVISES LITHUANIA TO ESTABLISH FISCAL POLICY DEPARTMENT

VILNIUS, Aug 03, BNS - International Monetary Fund experts believe that the Lithuanian Finance Ministry should create a separate department for fiscal policy and have already proposed a plan detailing the functions of such a department.

The plan was presented to the ministry's leadership by a group of IMF experts who held a two-week training seminar in Vilnius for local fiscal policy specialists. The seminar ended Thursday. IMF representatives expressed the view that a realistic budget cannot be drafted without a deep economic analysis, the Finance Ministry's press representative said. According to the plan, the department would regulate revenues and expenditures, forecast possible budget crises and take measures to avoid them.

IMF experts believe that the new body should analyze the securities market, assess expenditure plans and loan requests and carry out some other important functions, the ministry's report said.

LITHUANIA'S BUDGET REVENUES ON TARGET. Finance Minister Reinoldijus Šarkinas on 28 July announced that Lithuania's budget revenues in the first half of the year totaled 1.763 billion litai ($441 million) or 99.7% of the planned amount, BNS reported. The collection of an additional 149 million litai in the second quarter of the year erased almost all the large deficit of the first quarter. The collection of all types of taxes improved significantly. The planned six-month revenues for individual income taxes were fulfilled 94.1%, for corporation profit taxes 93.5%, for value-added tax 96.3%, and 170.6% for excise taxes. -- Saulius Girnius, OMRI, Inc.

FIRST U.S.-LITHUANIAN MILITARY EXERCISES TO BEGIN FRIDAY

VILNIUS, Aug 04, BNS - The first ever U.S.-Lithuanian peacekeeping exercises are scheduled to begin Friday at the Rukla training ground in central Lithuania. The maneuvers, held under the Partnership for Peace program, are financed by the U.S. government. The three-week operation, dubbed "Amber Hope '95," will involve 140 Lithuanian soldiers who will be commanded by 10 American instructors. U.S.-made weapons and equipment will be used in the training.

The exercises will culminate with five days of training in combat-like conditions. Activities will include freeing captured civilians, shooting, mining, escorting convoys and other tasks. The U.S. embassy in Vilnius said Thursday in a press release that the exercise would not only strengthen U.S.-Lithuanian military ties but would also enhance the interoperability of forces for participation in international peacekeeping operations.